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Terry Goddard Settles with Data Collection Company that Shared Student Information with Commercial Organizations

(Phoenix, Ariz. – January 13, 2005) Attorney General Terry Goddard today announced a consumer protection settlement with the National Research Center for College and University Admissions (NRCCUA) after the company allegedly shared personally identifiable student data with commercial marketers, contrary to its claims that it shared information only with colleges, universities and other educational institutions.

NRCCUA, a Missouri-based not-for-profit organization, surveys and collects information from hundreds of thousands of high school students each year. In 2001, more than two million high school students completed its surveys.

NRCCUA collects personal information from high school students throughout the United States by using a "Post Secondary Planning Survey" that is distributed through high school teachers and guidance counselors. The survey asks students for personal information, such as their name, address, gender, grade point average, date of birth, academic and occupational interests, racial or ethnic background, and, in the event the student is interested in attending a college with a religious affiliation, the denomination of their choice.

"This case is significant because NRCCUA shared personal information with commercial entities without letting the students or their parents," Goddard said. "Information is the gold of the new century, and it is becoming more important to guard your personal information carefully. Distributing information without disclosing with whom it is being shared is just wrong."

Goddard said he also wanted parents to be aware this type of information is gathered, and they have the right to tell schools not to give certain surveys to their children. High school students over 18 also have the same right to opt out of completing these types of surveys.

Parents and students also have additional rights under the Federal Education Rights and Privacy Act (FERPA) regarding the release of student information. Under FERPA, schools should provide notice parents with prior notice of the survey as well as information to "opt out" of participating in the survey.

NRCCUA marketed this data primarily to colleges and universities that used mostly for recruitment purposes. NRCCUA has been conducting this survey since at least 1988. In court documents filed today, the state alleges that NRCCUA claimed it only sent the information to its

member educational institutions, when in fact it shared the data with commercial companies that in turn engaged in their own marketing campaigns.

The settlement, through an Assurance of Voluntary Compliance (“AVC”) requires the following:

- NRCCUA is prohibited from misrepresenting how personally identifiable information will be collected, used or disclosed.
- NRCCUA must disclose clearly and conspicuously why it collects information and the types of entities with which it will share the information.
- NRCCUA must disclose this information in its privacy statements, questionnaires, survey instruments and other documents.
- NRCCUA cannot use survey data if a parent of a minor high school student or an adult high school student decides to opt out of completing the survey.
- If NRCCUA decides to use or allows others to use its survey data for non-educational marketing purposes, NRCCUA must send notice to parents/adult students letting them know how the survey may be used, and how the students/children can opt out of completing the survey.

As part of the settlement, NRCCUA will pay the Arizona Attorney General’s Office \$10,000 to be used for consumer and public protection education. The settlement also provides injunctive relief should NRCCUA violate this settlement.

The 41 other states joining this settlement are Alaska, Alabama, California, Colorado, Connecticut, Delaware, Florida, Hawaii, Idaho, Illinois, Iowa, Kentucky, Louisiana, Maryland, Maine, Michigan, Minnesota, Missouri, Mississippi, Montana, New Jersey, New York, Nevada, North Carolina, North Dakota, New Mexico, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Texas, Utah, Virginia, Vermont, Washington, Wisconsin, West Virginia, and Wyoming.

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